

1926

BANK OF MONTREAL

ANNUAL GENERAL MEETING

HELD 6TH DECEMBER, 1926

The 109th Annual General Meeting of the shareholders of the Bank of Montreal was held yesterday in the Board Room at the Bank's Headquarters.

Among those present were: G. G. Adam, Thomas Ahearn, D. Forbes Angus, G. E. Armstrong, M.D., W. M. Bancroft, S. M. Baylis, L. G. Beaubien, E. W. Beatty, K.C., W. B. Blackader, W. A. Bog, Arthur Browning, G. A. Campbell, K.C., F. D. Chapman, C. W. Chesterton, D. R. Clarke, F. J. Cockburn, His Honour Henry Cockshutt, W. R. Creighton, D. E. Crutchlow, General Sir Arthur Currie, G.C.M.G., K.C.B., J. H. David, K.C., Jackson Dodds, W. C. Finley, C. F. Fisher, The Hon. G. G. Foster, K.C., Geo. B. Foster, G. B. Fraser, Sir Charles Gordon, G.B.E., The Hon. Sir Lomer Gouin, K.C.M.G., Frederic Hague, K.C., Zephirin Hebert, W. H. Hogg, James Hutchison, C.A., Henri Jonas, L. Julien, J. M. Kilbourn, The Hon. Rodolphe Lemieux, K.C., W. A. Leney, David A. Lewis, C. W. Lindsay, H. B. Loucks, Robertson Macculloch, Hartland B. MacDougall, George McDonald, C.A., H. B. Mackenzie, J. W. McConnell, J. McEachern, William McMaster, F. E. Meredith, K.C., Sir Vincent Meredith, Bart., Major-General The Hon. S. C. Mewburn, C.M.G., W. R. Miller, A. E. Nash, Major S. C. Norsworthy, W. T. Oliver, G. L. Ogilvie, Hugh Paton, C. J. Patton, M.D., E. C. Pratt, J. Mackay Rea, James Rodger, K. G. Rea, Edward Sawtell, O. R. Sharp, F. J. Shepherd, M.D., G. R. H. Sims, J. W. Spears, G. W. Spinney, C. E. Spragge, W. M. Stewart, James Stewart, S. A. A. Watt, R. S. White, Sir Frederick Williams-Taylor, E. P. Winslow.

On motion of Sir Charles Gordon, G.B.E., Sir Vincent Meredith, Bart., was requested to take the chair.

The Hon. Sir Lomer Gouin, K.C.M.G., moved, seconded by Mr. James Rodger, that Mr. W. R. Miller and Mr. G. L. Ogilvie be appointed to act as scrutineers, and that Mr. C. H. Cronyn be the secretary of this meeting. This was carried unanimously.

The Chairman then called upon the General Manager, Sir Frederick Williams-Taylor, to read the annual report of the Directors to the Shareholders at their 109th Annual General Meeting, held on Monday, December 6th, 1926.

THE ANNUAL REPORT

The Directors have pleasure in presenting the Report showing the result of the Bank's business for the year ended 30th October, 1926.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st October, 1925.....		\$ 596,788.31
Profits for the year ended 30th October, 1926, after deducting charges of management, and making full provision for all bad and doubtful debts.....		4,978,133.38
		<u>\$5,574,921.69</u>
Quarterly Dividend 3 per cent. paid 1st March, 1926.....	\$897,501.00	
Quarterly Dividend 3 per cent. paid 1st June, 1926.....	897,501.00	
Quarterly Dividend 3 per cent. paid 1st Sept., 1926.....	897,501.00	
Quarterly Dividend 3 per cent. payable 1st Dec., 1926.....	897,501.00	
Bonus 2 per cent. payable 1st Dec., 1926.....	598,334.00	
	<u>\$4,188,338.00</u>	
Provision for Taxes Dominion Government.....	319,167.00	
Reservation for Bank Premises.....	300,000.00	
	<u><u>4,807,505.00</u></u>	
Balance of Profit and Loss carried forward.....		<u><u>\$767,416.69</u></u>

(Signed) VINCENT MEREDITH,
President.

(Signed) FREDERICK WILLIAMS-TAYLOR,
General Manager.

Since the last Annual Meeting, offices were opened at ten points and closed at twelve points throughout the Dominion.

A branch was established at Tampico, Mexico, on 1st March last. In September we acquired the business of the Mexico City Banking Corporation, an American banking institution located in Mexico City, and on 20th September their office became a branch of the Bank of Montreal, our second in Mexico City.

The Directors have to record, with deep regret, the death of the late Sir Thomas Skinner, Bart., Chairman of the London Advisory Committee since 1893.

On 17th September, His Grace the Duke of Devonshire, K.G., P.C., G.C.M.G., G.C.V.O., was appointed Chairman of the London Advisory Committee.

All the offices of the Bank, including the Head Office, have been inspected during the year.

(Signed) VINCENT MEREDITH,
President.

Bank of Montreal, 6th December, 1926.

THE GENERAL STATEMENT

The General Statement of the position of the Bank on 30th October, 1926, was read as follows:—

LIABILITIES		
Capital Stock.....		\$ 29,916,700.00
Rest.....	\$29,916,700.00	
Balance of Profits carried forward.....	767,416.69	
	\$30,684,116.69	
Unclaimed Dividends.....	10,718.29	
Quarterly Dividend, payable 1st December, 1926.....	897,501.00	
Bonus of 2% payable 1st December, 1926.....	598,334.00	
	32,190,669.98	
		\$ 62,107,369.98
Notes of the Bank in circulation.....	\$ 47,175,989.50	
Deposits not bearing interest.....	132,034,727.43	
Deposits bearing interest, including interest accrued to date of statement.....	515,925,640.50	
Deposits made by and Balances due to other Banks in Canada.....	2,346,485.14	
Balances due to Banks and Banking Correspondents elsewhere than in Canada.....	5,952,614.58	
Bills Payable.....	1,181,900.54	
	704,617,357.69	
Letters of Credit outstanding.....		13,952,190.87
Liabilities not included in the foregoing.....		848,226.66
		\$781,525,145.20

ASSETS		
Gold and Subsidiary coin current.....		\$32,527,124.64
Dominion notes.....		50,884,509.75
Deposit in the Central Gold Reserves.....		17,000,000.00
Deposits made with and Balances due from other Banks in Canada.....	\$ 93,749.77	
Balances due by Banks and Banking Correspondents elsewhere than in Canada.....	19,765,561.50	
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks, and other securities of a sufficient marketable value to cover.....	15,486,054.38	
Call and Short (not exceeding thirty days) Loans in Great Britain and United States on Bonds, Debentures and Stocks, and other securities of a sufficient marketable value to cover.....	145,325,247.99	
	180,670,613.64	
Dominion and Provincial Government Securities not exceeding market value.....	79,157,614.28	
Railway and other Bonds, Debentures and Stocks not exceeding market value.....	4,463,251.16	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian not exceeding market value.....	29,230,754.26	
Notes of other Banks.....	3,822,424.00	
United States and other foreign currencies.....	825,684.07	
Cheques on other Banks.....	26,337,108.47	
	\$424,919,084.27	
Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts.....	\$252,338,858.61	
Loans to Cities, Towns, Municipalities and School Districts.....	17,074,131.09	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts.....	53,442,276.77	
Non-current Loans, estimated loss provided for.....	2,494,423.78	
	325,349,690.25	
Bank Premises at not more than cost (less amounts written off).....		11,800,000.00
Real Estate other than Bank Premises.....		917,533.16
Mortgages on Real Estate sold by the Bank.....		1,209,615.65
Liabilities of Customers under Letters of Credit (as per Contra).....		13,952,190.87
Deposit with the Minister for the purposes of the Circulation Fund.....		1,420,787.67
Shares of and loans to controlled companies.....		1,415,727.25
Other Assets not included in the foregoing.....		540,516.08
		\$781,525,145.20

NOTE.—The business of the Bank in Paris, France, and in San Francisco, U.S.A. is carried on under the name of local incorporated companies and the figures are incorporated in the above General Statement.

NOTE.—Bonds of the Merchants Realty Corporation to the extent of \$2,783,000.00 secured on premises leased to the Bank, are in the hands of the public. These bonds do not appear in the above Statement as the Bank is not directly liable therefor.

VINCENT MEREDITH,
President.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

TO THE SHAREHOLDERS OF THE BANK OF MONTREAL.

We have compared the above Statement with the Books and Accounts of the Bank of Montreal at the Head Office, and with the certified Branch Returns. We have checked the cash and verified the investments and securities at the Head Office, and at several of the principal Branches of the Bank at the end of the financial year. We have likewise, at various dates throughout the year, checked the cash and verified the securities at several important Branches.

We have to report that: (a) we have obtained all the information and explanations we have required; (b) in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank, and (c) in our opinion, the above Statement discloses the true condition of the Bank and it is as shown by the Books of the Bank.

JAMES HUTCHISON, C.A. of the firm of Riddell, Stead, Graham and Hutchison. GEORGE C. McDONALD, C.A. of the firm of McDonald, Currie & Co.	} Auditors.
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MONTREAL, 23rd Nov. 1926.

HOCHELAGA REALTY AND DEVELOPMENT COMPANY

Balance Sheet as at 30th October, 1926

ASSETS		LIABILITIES	
Cash in Bank.....	\$ 30,312.05	Capital Stock.....	\$ 10,000.00
Buildings, Real Estate, etc., 64-68 Wall Street, New York, less depreciation.....	1,199,412.36	Debiture Bnds.....	1,220,000.00
Profit and Loss Account Balance.....	82,858.24	Accounts Payable.....	1,249.26
	<u>\$1,312,582.65</u>	Bond Interest Payable.....	81,333.39
			<u>\$1,312,582.65</u>

NOTE:— The Company was granted corporate existence by the State of New York on the 27th May, 1909. The object of its formation was to enable the Bank to hold title to real estate in New York City. The Capital Stock and Bonds are entirely owned by the Bank and appear on its books at a nominal value of \$1.00.

MONTREAL, 23rd NOVEMBER, 1926.

Auditors' Report

We certify that in our opinion the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Company's affairs at 30th October, 1926, according to the best of our information, the explanations given to us, and as shown by the Books of the Company. We have obtained all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
GEORGE C. McDONALD, C.A.,
Auditors.

THE LAND SECURITIES COMPANY OF CANADA, LIMITED

Balance Sheet as at 30th October, 1926

ASSETS		LIABILITIES	
Investments and Advances less Reserves.....	\$302,135.90	Reserves for Commissions, etc.....	\$ 3,891.59
Accrued Interest considered good.....	2,306.50	Bank Loans.....	348,000.00
Furniture and Fixtures.....	117.67	Capital Stock.....	\$200,000.00
Cash in Bank of Montreal.....	7,162.13	Profit and Loss Debit Balance.....	240,169.39
	<u>\$311,722.20</u>		<u>*40,169.39</u>
			<u>\$311,722.20</u>

*Deduction.

NOTE:— The Land Securities Company of Canada Limited was formed in 1893 by the Merchants Bank of Canada to facilitate the liquidation of properties falling into its hands from time to time under mortgages and other securities taken in the course of its business.

The Company is now being liquidated as rapidly as possible consistent with obtaining fair prices for its assets, no further properties being taken into its operations.

The Capital Stock is entirely owned by the Bank and the shares appear in its books at a nominal value of \$1.00, and a specific reserve of \$40,000 is also held for this Company.

H. B. MACKENZIE, Director
R. P. JELLETT, Director.

MONTREAL, 23rd NOVEMBER, 1926

Auditors' Report.

We certify that in our opinion the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Company's affairs at 30th October, 1926, according to the best of our information, the explanations given to us, and as shown by the Books of the Company. We have obtained all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
GEORGE C. McDONALD, C.A.,
Auditors.

THE MERCHANTS REALTY CORPORATION LIMITED

Balance Sheet as at 30th October, 1926.

ASSETS		LIABILITIES	
Real Estate and Properties less Reserves.....	\$6,031,886.81	Capital Stock—Authorized and Issued 20,000 Shs. of \$100. ea..	\$2,000,000.00
Less Balance due in respect of properties purchased.....	637,736.81	6% First Mortgage Bonds— Authorized and Issued.....	\$4,000,000.00
	5,394,150.00	Less Redeemed.....	560,000.00
Balances due on Sales of Properties.....	25,850.00		3,440,000.00
Cash in Bank.....	630.00	Interest due and accrued.....	52,230.00
Accrued Rentals.....	71,600.00		<u>\$5,492,230.00</u>
	<u>\$5,492,230.00</u>		

NOTE:— The Merchants Realty Corporation Limited was incorporated by The Merchants Bank of Canada in 1920. The original amount of bonds authorized was \$4,000,000. There are still \$3,440,000 outstanding, of which \$2,783,000 are in the hands of the public. The balance, \$657,000, is held on the books of the Bank at par, and the amount is included in the heading "Shares of and Loans to controlled companies." The Capital Stock is entirely owned by the Bank and is carried on the books at "Nil."

FREDERICK WILLIAMS-TAYLOR, Director.
H. B. MACKENZIE, Director.

MONTREAL, 23rd NOVEMBER, 1926

Auditors' Report

We have examined the Books and Accounts of The Merchants Realty Corporation Limited for the year ending 30th October, 1926, and certify that in our opinion the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs at 30th October, 1926, according to the best of our information, the explanations given to us, and as shown by the Books of the Corporation. We have obtained all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
GEORGE C. McDONALD, C.A.,
Auditors.

COMPANIA TERRITORIAL MEXICANA S. A. EN LIQUIDACION
Balance Sheet as at 30th October, 1926

ASSETS	Mexican Pesos	LIABILITIES	Mexican Pesos
Real Estate.....	\$322,443.68	Capital Stock.....	\$ 50,000.00
Mortgages.....	541,808.14	Mortgage.....	30,000.00
Machinery.....	11,963.36	Bank of Montreal.....	818,263.59
Bonds and Shares.....	21,765.00	Sundry Creditors.....	560.47
Accounts Receivable.....	14,472.96	Profit and Loss credit balance.....	13,802.45
Cash on hand.....	173.37		
	\$912,626.51		\$912,626.51

NOTE:—

This Company was formed by the Bank thirteen years ago to assist in the realization of certain assets taken over by the Bank at that time. The Company is in course of liquidation.

The Capital Stock is entirely owned by the Bank and the shares appear on its books at a nominal value of \$1.00.

MONTREAL, 23rd NOVEMBER, 1926

Auditors' Report

The Company's authorized period of operation has expired and at a Meeting held on June 10th, 1924, the Shareholders resolved to voluntarily liquidate the Company.

We have examined the above Balance Sheet with the Books, Title Deeds and other Documents submitted to us of the Compania Territorial Mexicana, S.A. (in liquidation), and we certify that it is in accordance therewith.

The Real Estate, Bonds of the Pan-American Railway Company and Shares of the American Book and Printing Company are carried at cost, but we are unable to say if this figure will be realized.

From the information given to us, we are of opinion that the Mortgages and Book Debts are worth the amounts at which they are carried.

There is an unrecorded Liability of \$14,400.00 Pesos in respect of the Shares of the Cia. de Terrenos de Churubusco, S.A.

(Signed)

JAMES HUTCHISON, C.A.,
 GEORGE C. McDONALD, C.A.,
 Auditors.

THE ST. JAMES LAND COMPANY, LIMITED
Balance Sheet as at 30th October, 1926

ASSETS		LIABILITIES	
*The rights of the Company in an emplacement conveyed to Insurance Exchange Corporation, Limited, by a 99 years' lease (emphyteutic lease) and in the building thereon constructed by Insurance Exchange Corporation, Limited, as at 29th September, 1923.....	\$222,396.95	Capital Stock:—	
Expended on the building to date.....	94,808.19	Authorized and Issued 200 shares of \$100 each.....	\$ 20,000.00
	\$317,205.14	Capital Surplus.....	180,000.00
	\$317,205.14	Due the Bank of Montreal.....	117,205.14
			\$317,205.14

***NOTE:—**

The St. James Land Company's rights in the above described emplacement and building have been hypothecated by the St. James Land Company, Limited, to the extent of \$440,000 to secure bonds of Insurance Exchange Corporation, Limited, for the payment of which amount the St. James Land Company, Limited is not personally liable. The Capital Stock is entirely owned by the Bank.

C. H. CRONYN, Director.
 THOMAS CARLISLE, Director.

MONTREAL, 23rd NOVEMBER, 1926

Auditors' Report

We have examined the Books and Accounts of The St. James Land Company, Limited, for the period ended 30th October, 1926, and we certify that, in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 30th October, 1926, according to the best of our information, the explanations given to us, and as shown by the Books of the Company. We have obtained all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
 GEORGE C. McDONALD, C.A.,
 Auditors.

THE PRESIDENT'S ADDRESS

Before moving the adoption of the Report, it is customary for me to make a few remarks.

As the balance sheet indicates, the business of your Bank during the past year has shown a satisfactory and healthy expansion, and, in consequence, the result of our operations has again demonstrated that the Bank's earning power notwithstanding the economic vicissitudes of the past few years is unimpaired. Money, at home and abroad, has been in better demand, and while the rates have not materially advanced, the larger turnover has resulted in better earnings.

GENERAL BUSINESS CONDITIONS

A broad survey of trade conditions in the year under review finds much to hearten and little to discourage. In almost every department of commerce activity is greater and, despite keen competition, profits are larger. Confidence finds practical demonstration in increased capital investment in development of natural resources and to a lesser extent, expansion of manufacturing plants. Outstanding in this respect is the growth of the pulp and paper industry, the exploitation of mineral deposits and the harnessing of water powers, closely allied industries indigenous to Canada and in respect of which she may be said to stand unrivalled. The growth of the pulp and paper industry is remarkable and has produced large profits. In ten years our exports of wood, wood products and paper have increased from \$83,000,000 to \$278,000,000. The United States' consumption of newsprint is over 3,000,000 tons a year, of which Canada supplies rather more than one-half. Within the next twelve months Canadian mills now under construction will be adding about 450,000 tons a year to their present output, and unless the present rate of consumption expands, there is the possibility of a surplus of newsprint coming on the market at no distant date.

The Power development on the Saguenay by the Aluminum Company of America is an undertaking of more than local interest. When completed, the plans provide for a total of about 1,100,000 H.P. (nearly 50% larger than that available at Niagara for Canada). The creation of this new industrial centre, with its model city of Arvida, will add materially to the resources of the Province of Quebec.

Then we have our great mineral resources. In 1913 Canada's mineral production was \$145,000,000; in 1925, \$228,000,000, a gain of 57%. As a producer of gold, the indications are that we may soon rank second among the countries of the world, and there can be no doubt as to the vastness of our potential mineral production in general.

Rapid as has been the development of these sources of national wealth in recent years, no limit can reasonably be put upon their progression. There is, indeed, the frequently discussed question of the extent of our pulpwood and timber resources and the danger of production in excess of current demand, but a growing sense of the vital importance of forest conservation bids fair to act as a deterrent to excess, and I hold the conviction that these mainstays of Canadian commerce will long flourish.

In the leather and footwear trade, branches of industry depressed of late, improvement has set in. The textile industry has enjoyed moderate prosperity. Iron and steel works have been fairly well employed. Building operations throughout the country have been active, but in some cities house construction would seem to have overtaken demand and a slowing down in this trade would not be surprising.

The lumber business in Eastern Canada has not been prosperous. In British Columbia lumber manufacturers are moving a reasonable volume, but the prices are too low to show a real profit. The greater use of substitutes for lumber, such as cement, steel, patent roofing, etc., cannot but have an injurious effect on the industry.

LABOUR

Coincident with the improvement in business has come a decrease in unemployment. Not since 1920 have the ranks of out-of-works been so thin as now. I refer to the country at large, as in some trades and in a few cities a slight reduction in the number of hands employed is recorded. There are, of course, seasonal variations in the demand for labour, but the encouraging fact is that unemployment is now less than at any period during the past six years.

INSTALMENT SALES

A phase of modern business worthy of comment is the rapid extension of instalment sales, which in some instances, notably automobiles, now characterizes the bulk of transactions.

Opinions differ as to the permanent advantage of the method, alike to buyer and seller, and admittedly there are two sides to the question. The buyer assumes a debt which may prove an awkward encumbrance and which he may be unable to discharge, but on the other hand he is, if honest, compelled to a course of thrift and, pending the payment of the purchase price, has the advantage of use of the commodity, and it is a fact that the extension of instalment sales has not halted the accumulation of savings deposits in the aggregate, nor reduced purchases of life insurance. The seller who employs this method undoubtedly incurs risk unless he has taken adequate safeguard and precaution against loss, and this is the crux of the whole question.

Conducted within prudent lines on the part of both buyers and sellers, the method has merit. It unquestionably aids business, bringing to the merchant customers otherwise unavailable.

Nor is the principle new. Most houses are built or bought on the instalment plan, that is to say, upon mortgage, and credit is as old as the hills. The danger lies in excess. Experience in the automobile trade has shown that the percentage of cars returned to the dealer diminishes as the initial payment rises, a lesson not to be lost by those who sell on the instalment plan. The subject is of keen interest to bankers, who deal in credit, and my conclusion is that the method should not be condemned where cautiously conducted, which means when the standing of the buyer is carefully considered, an ample down payment is exacted and the balance spread over a limited period.

CANADA'S FOREIGN TRADE

The aggregate of Canada's foreign trade still expands, having had a value of \$1,290,500,000 in the seven months ending October 31st, or \$42,000,000 more than in the corresponding period last year. The character of the trade, however, is changing, imports having increased and exports decreased, as a consequence of which the favourable balance has diminished. Taking the seven months' period, there was last year an excess of \$181,300,000 of exports over imports, while this year the excess is only \$95,800,000, and it is possible that this margin may be further reduced in the near future. On the other hand, while we are not shipping abroad the same volume of dairy products as last year, we still have a dominating trade in cereal exports to counterbalance

rising imports, with a steadily enlarging market in the United States for newsprint and pulp, so that the diminishing tendency in our favourable trade balance need not give immediate concern, though its significance cannot be ignored.

Better domestic business accounts for the growth of imports, which had a value in the seven months to October 31st of \$597,331,000, being greater than in 1925 by \$63,785,000, and larger than in any like period since 1920; and of this increase no less than \$23,531,000 consisted of iron and its products. Also, in a considerable measure, the stream of foreign capital coming into Canada for investment is an offset. While it would be preferable to have Canadian capital available for Canadian development, it is impossible for a young country to supply the needed money for this purpose, and infinitely better is it to have this development brought about by foreign capital, to the primary and ultimate advantage of our people, than to have our resources lie dormant. A point of importance not remotely related to the balance of trade is the large holding of Dominion securities by our own people. I know of no more striking example of the reserve wealth of the Canadian people than their investment in Dominion Government bonds. Before the war, of a Federal debt of \$330,000,000, much the larger part was held abroad, but of the present debt of about \$2,500,000,000, no less than \$1,964,000,000, or nearly 80%, is held by Canadians, who receive and employ interest on this immense sum. There need be no fear of the financial stability of a people who in twelve years have invested nearly two billion dollars in their own Government bonds.

BUSINESS IN THE UNITED STATES

As no man, so no country can live unto itself, and to better business the world over must be attributed some of the improved conditions in Canada. The United States has enjoyed a year of abounding prosperity, resulting largely from the ever-multiplying demands for many commodities of a fully-employed population. Possessing, as it does, one-twelfth of the world's consumers and one-half of the world's gold supply, its own territory furnishes an ever-expanding market. The people are consuming less than they produce and savings continue to show a surprisingly substantial increase. Inflationary tendencies are well controlled. The establishment of the Federal Reserve system has so altered the character of the monetary and credit structure of the country that there is no reason to fear the former extreme fluctuations in general business conditions. Another effect has been the attainment of a sounder and more widespread economic development. Restriction in a few industries stands out in contrast to the general and well-scattered prosperity, but there is faint indication of any over-production of commodities. Keen competition exists in many lines, especially in the motor industry, which, without the assistance of the instalment system, might find difficulty in marketing the enormous full-time output. Prices, while generally stable, are on the whole showing some progress toward lower levels. The railroads have seldom been more prosperous and are rendering service of the highest description. Fundamental conditions underlying the business situation continue sound. There is no evidence of a piling up of raw materials or of finished goods. Merchants, large and small, who learned in 1920 the perils of swollen inventories, have kept out of danger by hand-to-mouth purchases. Commodity prices are not unreasonably high and show a declining tendency, despite increasing prosperity. Throughout the country generally among business men and in the labour ranks there is confidence and a sound financial background, leaving little ground for pessimism, although the record-breaking cotton crop will probably adversely affect the buying power of the South.

CONDITIONS IN EUROPE

Turning to European affairs, there is every reason for satisfaction at the considerable advance made towards more settled conditions in general and in particular in the direction of monetary stability. The re-establishment of gold either as a standard or as a basis for currency in most of the leading countries has been an important factor in this favourable development, assisted, of course, by loans of a very considerable amount issued principally in Great Britain and America. The recent Belgian stabilization loan is a noteworthy example. Indications of co-operation between the central banks augur well for the maintenance of the improved financial situation. The existence of outstanding inter-allied indebtedness retards the return to sound financial conditions. Most encouraging progress has been made towards settlement, but the ratification by France of her debt agreement with Great Britain and America is an urgent necessity. A careful review of European affairs from various angles, however, gives me every reason for a more optimistic outlook than at any time since the Armistice. The Imperial Conference has met in London and not the least important subject of discussion is the plan for the advancement of British trade with the Dominions overseas. A notable development during the year has been the creation in Great Britain of the Empire Marketing Board, having the authority of the British Government to expend £1,000,000 per annum of public money for the purpose of fostering the demand in Great Britain for the produce of Overseas Dominions. British trade has suffered a severe set-back as a result of the long-continued coal stoppage, which has for nearly six months turned Great Britain from a coal exporter to an importer, to the serious detriment of the foreign trade balance. That the pound sterling should have remained above the gold export point in face of the difficulties encountered is proof of the financial strength of Great Britain.

CROPS IN CANADA

In Canada better harvests than that of this year have been gathered, but as a whole farmers have been well recompensed for their labours. The wheat crop at 405,000,000 bushels falls a little short of that of 1925, while lowering of grade caused by prolonged wet weather finds compensation in higher prices, so that the net return should not be substantially reduced. Vicissitudes of climatic conditions are in the way of nature, yet it can be said that these are neither more frequent nor more extreme in Canada than elsewhere, and that, taking one year with another, the Canadian farmer the country over has little reason to complain. It may interest you to learn that in eleven months of the crop year 1925-26, more than one-half the wheat shipments from world exporting countries emanated from Canada, which contributed 259,000,000 out of a total of 488,000,000 bushels, a fact stamping Canada as the granary of the world. Better balanced farming, which provides income over the whole year, is steadily on the increase.

THE RAILWAYS

The railways afford fairly accurate evidence of the volume of business, though not necessarily of the profits arising therefrom, and applying this test, the deduction is very satisfactory. Both transportation lines have during the year reported increasing earnings from month to month, the Canadian Pacific experiencing one of the best years in its long period of successful operation, and the Canadian National making strides towards overcoming the deficit in capital charge, which not long since imposed a serious burden upon Federal finances. It is trite to say that with respect to the railways, to enlarged production, to expansion of

trade and to reduction of taxation, immigration is essential and, to my mind, the most important factor in Canada's growth. Almost no limit can be set to the prosperity attendant upon an influx of people commensurate with the absorbing and assimilating power of Canada. Some progress in this direction has this year been made, and it should not be a vain hope that ere long the consociate efforts of Government and private agencies to attract to this country desirable settlers from abroad will bring gratifying results.

In conclusion, Canada has emerged from the shadow of restricted business, unsatisfactory earnings and indifferent balance sheets and the trend of business is now distinctly upward in practically all lines of trade. I cannot see any indication that this period of prosperity is soon coming to an end. I believe the underlying conditions are sound and the future can be viewed with confidence.

THE GENERAL MANAGER'S ADDRESS

Sir Frederick Williams-Taylor, the General Manager of the Bank, then made his annual address as follows:

Mr. Chairman and Gentlemen:—

The hundred and ninth annual balance sheet of our Bank, now presented, reflects, in the fuller employment by the business interests in Canada of our available funds, and by our comparative freedom from losses, the general improvement that has taken place in the trade and commerce of this country during the past year.

As a natural consequence of these favourable conditions, I have to report not only that our earning power has been greater, but that from every standpoint we are in a more virile condition than ever before, while we adhere to our time-honoured policy of being always in a strong liquid position.

The figures contained in our balance sheet may not show any remarkable change as compared with those of a year ago, but you will, of course, realize there are many factors and many influences at work. On some of these I will touch.

In cash and quick assets we held, at the close of our bank year,

Gold and subsidiary coin.....	\$ 32,500,000
Deposits in Central Gold Reserve.....	\$ 17,000,000
Dominion Notes.....	\$ 50,800,000
Notes of, and Cheques on, other Banks.....	\$ 30,800,000
Balances in other Banks.....	\$ 19,800,000
Call Loans.....	\$160,800,000
Securities.....	\$112,800,000

The total, \$424,500,000, of such immediate assets represents 60.35% of our total liabilities to the public, and this is approximately the position which we maintain year in and year out.

Apart from better business conditions in Canada, we have naturally benefited by an improved demand for money and firmer interest rates at our outside points, London and New York.

To meet the greater demands of our commercial customers in Canada we have reduced our investments by approximately \$27,000,000. This sum represents, roughly, the increase in our current loans in Canada, which now stand at \$269,000,000 as against \$241,000,000 a year ago. This we regard as proof positive that business throughout the country is better.

Commercial failures in Canada for the year numbered 2,285, with liabilities of \$33,871,000. This compares with 2,313 failures, with liabilities of \$46,656,000 in 1925.

Our deposits are higher by \$23,600,000 than a year ago. They are now \$647,000,000, and it is satisfactory to report that our time deposits, which represent for the most part individual

savings, are showing a steady annual growth. This plainly indicates both the thrift of our people, and also their continued confidence in the Bank of Montreal as the custodian of their savings.

Our Bank Premises account has been reduced \$350,000 during the year, and we have, as usual, made full provision for maintenance and alterations.

We have during the year opened 12 new branches and agencies, and closed the same number, leaving the total unchanged at 616.

We do not look for a very rapid return from new branches as a rule, and proceed with due caution in establishing them, yet we maintain our policy that the Bank shall be represented wherever there is settlement and activity in Canada, thus ensuring for the public all reasonable banking facilities.

BANKING SERVICE

As illustrating the Bank's settled determination to keep in the van of banking progress, let me mention some comparatively new special services we now render to our clients and the public at large.

At the Head Office of the Bank several special departments are in operation, each of them manned by specialists in their respective lines.

We have, for instance, a Foreign Department, which keeps in constant touch with all important foreign countries, facilitates the foreign trade relations of our clients, and endeavours to create or increase, among persons and firms abroad, an interest in this country and its opportunities.

A second department watches the hourly fluctuations in the many foreign exchanges and disseminates this information through the medium of our system of private telegraph wires to central points and thence to our hundreds of offices throughout Canada. We are thus able to give to the public facilities in exchange transactions and the benefit of the closest competitive rates.

We have also a department which specializes in securities, maintaining contact at all times with the markets in this country and abroad. The services of this department are at the disposal of our clients through the medium of any of our offices.

As you are no doubt aware, the Bank for several years has been publishing weekly reports upon the condition of our Canadian crops during the growing season. Further, we are now issuing a monthly Business Summary covering all phases of business activity throughout Canada and in the several countries where we maintain offices. Copies of this Summary are sent free to anyone on request and are already distributed to a mailing list extending throughout Canada and to practically every country in the world.

In the past few years our Bank has distributed to the farmers of Canada more than 150,000 copies of excellent handbooks dealing with farming subjects, and the many letters of appreciation received have shown that our efforts to further the interests of this section of our population, and to increase their profits, are widely appreciated. We have also prepared and distributed abroad many thousand copies of our booklets dealing with Canada, our object being to attract the notice of possible immigrants and investors, and to stimulate their interest in this country.

Not all of these services perhaps are directly remunerative, but we believe they have all been of very definite value. They are broadening the facilities available to our clients, creating goodwill, and demonstrating that the Bank is keenly concerned in the public welfare and in furthering the general interests of this country.

FOREIGN OFFICES

Our outside reserve offices, New York and London, have operated satisfactorily in point of earnings and growth.

In the United States banking resources have shown little depletion as a result of the activity in business, and money has remained in plentiful supply at somewhat higher rates. Call money has averaged 4.53%, as against 3.82% in the preceding year.

Our Paris business is well established, and steadily growing in importance. Our office building is commodious, admirably situated, and extremely well patronized.

During the year we acquired the business of the Mexico City Banking Corporation, which gave us desirable premises in the centre of the retail district of Mexico City and relieves the congestion at our main office. Our business continues to expand on safe and conservative lines and is closely supervised by our local Superintendent of Mexico Branches, resident in Mexico City.

In London, new Canadian public issues have again been negligible, and apparently there is no present prospect of an early re-entrance to that market.

FOREIGN CAPITAL IN CANADA

American capital, however, continues to flow into Canada like a bountiful stream, and this expression of confidence by our great next-door neighbour is extremely gratifying. The proceeds of Canadian public loans sold in New York in the calendar year 1926 to date were \$250,000,000, while private American capital newly invested here, although unrecorded, must have been not less than \$75,000,000.

From a purely material point of view it makes no difference whether the capital that develops our resources comes from the United States or elsewhere, but I shall not be misunderstood if I say that for Empire reasons, which are more than merely sentimental, Canada as a whole would heartily welcome a greater influx of British capital.

One of the many misfortunes which Britain and the Empire have had to face as a result of the War has been the curtailment in the Motherland of exportable capital. This condition will gradually improve, and although the lower interest rates now current in the United States preclude for the present the floating of Canadian public loans in London, this condition is not altogether applicable to money borrowed for private enterprise.

It may not be out of place, therefore, to mention three outstanding facts regarding Canada, for the benefit of potential British investors and of those at home in Great Britain who have the welfare of the Empire at heart.

First, consider our three Prairie Provinces. Less than fifty years ago they were uninhabited. There was the Indian, the buffalo, and a small settlement on the Red River around Fort Garry, now Winnipeg. To-day there is on these fertile plains a population of 2,000,000 prosperous people, with millions of rich and idle acres waiting for more settlers to come.

The estimated value of the field crops of these three Provinces in 1900 was \$32,000,000. Now, twenty-six years later, the actual value is close to \$700,000,000, more than \$300,000,000 in excess of the world's annual output of gold. Gold mines become exhausted, but our Prairie Provinces, with the exercise of proper care, are capable of producing in perpetuity. In other words, the great sum mentioned, namely \$700,000,000 to-day with more to come, is in the nature of a sure and rapidly rising dividend.

Second, though Canada is well known as a great agricultural country, it may not be realized abroad that the gross value of

our manufactured products at the point of production amounted, in 1924—the latest figures available—to \$2,695,000,000, or nearly twice the value of our agricultural production for the same year.

Third, our progress in "harnessing" water power, the utilization of which has increased 180% in ten years. Canada is now second per capita in water power development in the world. When developments now under way are completed Canada will have in use 4,500,000 horse power, representing a capital investment in power plants and transmission lines of \$854,000,000. The undeveloped wealth in this field is prodigious. A conservative estimate is 28,000,000 horse power.

These three facts alone, apart from all other considerations, should be enough to attract afresh to this portion of the British Empire the notice of British engineers, promoters, investors, manufacturers, and intending emigrants.

For a decade more or less before the War the view was at times expressed in London that Canada was going ahead too fast on borrowed money, and that there was danger ahead. Those of us who did not altogether agree with that view at the time can now at least admit that there was some ground for such criticism.

On the other hand, in comparison with the total volume of both public and private Canadian borrowing in the London market, the percentage of such money that has been lost is unimportant.

It is, I think, worth noting in conclusion that with a population less than 10,000,000 Canada's exports are now equal in monetary value to the exports of the United States when that country had a population of 70,000,000, a remarkable showing even allowing for the decreased value of the dollar.

Admitting that for a period Canada was going ahead too fast, we believe we have had our lesson, that we are living down our mistakes, and that things have taken a turn for the better. Moreover, we not only believe but know that we have one of the best and richest countries on earth.

QUEBEC

The dull conditions of the last two years still obtain in the lumber industry; producers of pine and spruce lumber find it difficult to compete with the Pacific Coast mills in the domestic and United States markets. Exports to Europe have been on a small scale, Baltic lumber continuing to dominate the British and Continental markets. There has been a fair demand for hardwood lumber. With the outlook uncertain, the cut of saw logs during the present season will probably be further restricted. Wages are likely to be slightly higher.

Prices for pulpwood have been well maintained and stocks have moved freely. It is estimated that this Winter's cut will be 15% to 25% larger than last year. The market for all kinds of pulp has been steady. There is a constantly increasing demand for bleached sulphite pulp for the artificial silk industry. The production of all grades of paper, especially newsprint, is increasing rapidly, and the output is being readily absorbed. Existing plants are being enlarged and new mills are either being constructed or in contemplation; whether or not this will result eventually in an over-supply is a matter of conjecture. Present prices yield a fair profit. Contracts for newsprint for 1927 are being made at \$65 per ton, the price now ruling.

Notwithstanding a cold backward Spring, crops generally were satisfactory. The hay crop, although smaller than last year, was of better quality. Roots were good; potatoes were plentiful and it is estimated that the yield was about 20% better than last year. Cereals were affected by unfavourable weather; fodder corn was poor. Tobacco was of good quality and average

in yield. Pastures were good throughout the season and dairy products increased in volume; prices were lower than last year. Exports of cattle, cheese, butter and eggs were smaller than usual. Fruits were abundant, the apple crop being well above a five-year average.

In the textile industries, cotton mills have been working at practically full capacity except in the Summer months; lower prices have stimulated sales. Woollen manufacturers report some improvement but still complain of foreign competition.

There has been a gradual improvement in the iron and steel trades; manufacturers of structural steel and heavy machinery for pulp and paper mills and water-power developments have been busy and are well booked with orders.

The market for hides and leather has been steady throughout the year. Stocks have been well liquidated and prices are close to pre-war levels. An encouraging feature is the development recently of an export demand for sole leather, accompanied by a strengthening in prices.

While conditions affecting the boot and shoe industry are still unsatisfactory, signs of an improvement are noticed and manufacturers are more hopeful.

Fur manufacturers have had a fairly satisfactory year. Retail business has been stimulated, temporarily at least, by sales on the instalment plan. Prices show little change.

Manufacturers of rubber goods, especially footwear and tires, have been well employed, and the export trade has increased.

While clothing manufacturers have been busy and some improvement is noted, competition remains keen, and profits, where earned, are small.

Sugar refineries report a satisfactory year. Wholesale grocery firms continue to suffer from the activities of chain stores.

Retail trade has improved, but competition from mail-order houses is felt in the country districts.

The outstanding event of the year in the mining industry was a merger of the majority of the companies producing asbestos. Production and sales continue to increase and prices have been slightly higher; a more optimistic feeling prevails.

Railway communication has been established with the Rouyn district and the development of that rich mineral area will be accelerated.

Dominion Government expenditures were principally confined to the provision of increased harbour facilities. Provincial Government outlays were mainly for the maintenance and improvement of roads and bridges, the regulation of rivers and streams, and for educational purposes. Construction of the new bridge to provide another connection between Montreal and the South Shore is proceeding rapidly. Municipal expenditures were normal.

The number of failures during the year was greater than in the preceding twelve months, but total liabilities were much less. Collections have been fair to good. The employment situation shows improvement. Tourist traffic was heavy.

The Canadian National Railways, through a subsidiary, have built a line from Taschereau to Rouyn and they are improving rail facilities in the Saguenay region. The Roberval-Saguenay Railway is also extending its line.

The development of hydro-electric power on a large scale continues apace.

On the Saguenay the Aluminum Company of America is pushing construction of its great aluminum works and its 750,000 h.p. plant, together with the building of the new town of Arvida.

Real Estate values have been maintained. Building operations were larger than last year and, apart from the usual number

of residences and apartment houses in the larger centres, were mainly confined to the construction of power plants, pulp and paper mills and public and business buildings.

To recapitulate, the farmers have enjoyed a reasonably good harvest and a satisfactory year. New pulp and paper mills have been completed or are being built; the mineral resources of the north-western section of the Province are being exploited and the hydro-electric developments are attracting new industries. All these factors make for increased prosperity of the Province at large.

ONTARIO

The agricultural season which has just closed has been somewhat below average. While Spring conditions were backward, favourable weather later brought on rapid growth and gave promise of an excellent crop, but continuous rains during the Autumn seriously hindered harvesting and depreciated the quality of almost all grains. Fall wheat, on the whole, was harvested in good shape, but Spring grains suffered damage, particularly oats, in which rust occurred in many districts. Corn was a good average crop but difficult to harvest. The ravages of the corn borer have resulted in a number of farmers in the south-western section of the Province turning their attention to other grains. Root crops were large, but potatoes, in some sections, suffered from rot. Sugar beets were a heavy crop but the sugar content was low. Hay and clover, also, were a heavy crop.

Tobacco is becoming increasingly important in the Province, a larger area being planted each year. The crop suffered to some extent from wet weather and early frosts but this damage is largely offset by increased prices over last year.

Pasture was in good condition throughout the whole season and the flow of milk was well maintained. Lower prices for cheese will give a smaller return, but on the whole dairy farming has been profitable.

Heavy export cattle are at present in reduced demand, with a resultant easing of price. Hog prices throughout the year have been profitable to the farmer.

Small fruits were a good yield, and early apples were plentiful, but there will be a scarcity of the Winter varieties.

There is an abundant supply of rough feed for cattle, which have gone into Winter quarters in excellent condition. Fall work on lighter soil is well advanced but was retarded by rain on heavier ground.

Taken generally, while crops are not up to last year's, they are quite as good as in 1924. Farmers also have improved their position in the past few years, so that there should be no serious set-back as a result of the year's operations.

The lumber business continues dull and shows no improvement over last year, and this Winter's cut will probably show a slight reduction. Labour is readily obtainable and wages show little change. Pulp and paper companies continue to operate to capacity.

The outstanding feature in the mining field is the opening up of new developments at various points in northern Ontario; the Porcupine district steadily pushes ahead in gold production, while Gowganda takes a leading place in silver. The nickel industry has been revived owing to the increasing demand for nickel for commercial uses, and an ambitious programme is in view looking ahead for years. New zinc areas are also being developed in the Sudbury region and diamond drilling is reported to have shown immense ore deposits. Canada now ranks third among the gold-producing countries of the world, and of her total gold production, \$36,000,000 in 1925, Ontario produced \$30,000,000.

Commercial fishing in the Great Lakes is engaged in to a limited extent only, and the catch this year was below the average, but good prices have prevailed. Damage to nets and gear was occasioned by several unusually severe storms during the season.

Practically all manufacturers report improved conditions, with the exception of packers and manufacturers of woollen cloth. The demand for agricultural implements, both domestic and foreign, was particularly good. Automobile manufacturers, and subsidiary industries, have experienced a successful year. Pulp and paper companies continue to be fully employed. A recent improvement in the boot and shoe industry and in furniture manufacturing has also been noticeable. Flour exports have held up well. Manufacturers of machinery, other than pulp and paper-making machines, have not yet benefited by the revival in trade, as there have been few calls for replacement and, so far, few new expenditures for plant extension. While in nearly all lines there is a better demand, competition is very keen and business is being booked at close prices, allowing only a minimum of profit.

Wholesale drygoods, grocery and hardware houses report a larger volume of sales than a year ago, but at a narrow margin of profit. Collections are reported to show an improvement and the outlook is favourable. The retail trade still complains of the competition of chain and departmental stores, and finds progress increasingly difficult.

There have been no Dominion expenditures of moment during the year, with the exception of work on the Welland Canal, where some \$14,000,000 will have been expended in the twelve months. Provincial expenditures have been limited to road construction work, which goes on steadily, and to maintenance. Municipal Councils are largely pledged to a policy of economy, and expenditures have been confined to necessary improvements.

Practically no new power development was undertaken by the Hydro-Electric Power Commission of Ontario.

With the exception of the Border cities, where building operations continue on a large scale and high prices have been maintained, real estate values throughout the Province have shown a tendency to lower levels. In the City of Toronto a number of large apartment houses have been erected or are under construction.

On the whole, the year may be considered satisfactory; in some districts crops have been damaged, but in others very fair crops have been garnered, and in this respect eastern Ontario reported much better results than the western section. While the year may not add much to the farmer's surplus, he has not gone behind. Manufacturers report improvement with brighter prospects. Wholesalers' and retailers' reports indicate a revival in trade, and altogether there is a more optimistic note in business.

MARITIME PROVINCES

The deep sea fishery was prosecuted by more vessels this year and the catch greatly exceeded that of last year, but, as foreign competition is especially severe, the cash result will be somewhat less than in 1925. The lobster fishery has been fairly satisfactory as to catch and price.

Though the Spring was late, crops, excepting apples, have been generally satisfactory, grain and hay having been garnered under ideal conditions. The apple crop, like that of last year, will not exceed 60% of a five-year average. The potato yield, while under average, will be larger and of better quality than last year, and, owing to a general shortage, good prices are being realized. Pasturage was excellent in New Brunswick, but parts of Nova Scotia and Prince Edward Island lacked rain, which affected livestock and dairying. Mixed farming and dairying are becoming more general.

Lumber markets are still dull owing to Baltic and Pacific Coast competition, and the cut this Winter will be small. Pulpwood production is increasing, especially in New Brunswick.

Coal mining continues at capacity but steel mills have been operating on a limited scale. Manufacturing shows some improvement; sugar refineries at Halifax and St. John are busy.

Wholesale and retail traders report business at about last year's level.

There has been little railway construction other than the standardization of 97 miles of track in Prince Edward Island.

Real Estate has been quiet; there has been no speculation.

The Dominion Government expenditures have been confined to dredging, harbour and terminal improvements, and those of the Provincial Governments to roads, bridges and power developments.

Tourist traffic has again increased. Population is practically unchanged, although young people are still being attracted to the United States.

The Maritime Provinces are passing through trying times. The lumber industry has declined; the Fordney tariff has affected the natural market for their agricultural and fish products, and their geographical position makes competition in Ontario and Quebec difficult. An encouraging feature is the expansion of the pulp and paper industry.

It is hoped that the recent economic investigation may result in measures being taken to alleviate to some extent the present unsatisfactory situation.

PRAIRIE PROVINCES

The acreage seeded to wheat was about the same as last year and Spring work was completed under favourable conditions. Uneven distribution of rain during the early growing season and extreme heat in July caused concern, but later rains helped wheat materially. Damage by rust and insects was negligible. Harvesting started early but was repeatedly interrupted by inclement weather, with a resultant lowering in grades.

This year's crop of wheat is estimated to approximate that of last year, but the yield of coarse grains will be considerably smaller. Higher prices, however, substantially offset reduction in quantity and quality.

Grain growing is profitable at present prices and the crop this year, as a whole, will be a paying one for the farmers. Facilities for receiving, transporting, storing and financing the crop are adequate and economical and continue to function smoothly.

The increasing use of motor trucks for hauling grain has enabled farmers located far distant from elevators to market their crops at a great saving in time.

Of the 1925 wheat crop, 52% was delivered to the Provincial Wheat Pools and marketed through their Central Selling Agency. The co-operative system of marketing has expanded rapidly and various associations have been formed to handle many products of the farm, not only wheat, but wool, coarse grains, eggs, poultry and livestock. The movement is being followed with keen interest by other countries.

Livestock wintered well; the weather was mild and there was an abundance of feed. Prices for cattle were slightly better than last year. Shipments of cattle to England have continued, and the packing industry in the West is growing, to the benefit of livestock raisers. Small flocks of sheep are becoming more numerous, especially in Alberta. A shipment of 1,000 horses of a light type was made to Russia, and it is hoped that further orders will be received.

The dairying industry is making consistent progress in the three Prairie Provinces, where the output of creamery and dairy butter increases yearly. Prices, however, have been adversely affected by reduced demand from Great Britain, due in part to the labour troubles there.

The output of coal in Alberta and Saskatchewan shows an increase over last year.

About thirty companies are engaged in drilling for oil in the Turner Valley, where one well, brought in a year ago, has continued in undiminished volume a daily output of 17,000,000 to 18,000,000 cubic feet of naphtha gas and some 500 barrels of 73 gravity naphtha oil. Development is also proceeding in the Wainwright field, where there are six wells producing heavy crude oil.

Manufacturing, apart from flour, is chiefly confined to industries catering to domestic needs. Production is increasing, with steady improvement in conditions and growth in population. A 250-ton paper mill erected during the year will be in operation in Manitoba shortly. The beet sugar factory established in southern Alberta a year ago now has 300 employees. The large flour mills are operating to capacity.

Improvement in the wholesale and retail trade evidenced last Autumn has continued, and business on the whole shows an increase over 1925. Small merchants find it increasingly difficult to withstand the competition of mail-order and chain-store houses. There is a growing tendency on the part of small retailers to purchase co-operatively with a view to securing lower prices and minimum freight rates through carload shipments.

Sales of automobiles on the instalment plan show further expansion.

Implement companies have had a good year.

Both Railways have additional branch lines under construction. The Canadian Pacific Railway is erecting a large hotel at Regina, and the Great Northern Railway is building a hotel at Waterton Lake National Park in southern Alberta.

The number of incoming settlers shows a considerable increase over last year. Emigration to the United States has been on a much smaller scale, and expatriated Canadians continue to return. The various immigration organizations working for increased population have been doing effective work. The "Clan Donald" Colony, fostered by the Scottish Immigration Aid Association, in conjunction with the Overseas Settlement Committee, was launched under good auspices and is no doubt the forerunner of several similar community settlements. The transfer of these Scottish crofters has been one of the most satisfactory features of the immigration situation in the post-war period, and their success and contentment have been beyond expectation.

The business of existing power plants shows satisfactory growth, due to increasing demands for industrial and domestic uses. Light and power are cheaper in the City of Winnipeg than in any other city in North America.

Little improvement is noticeable in farm land values, but sales have increased in number, the majority being on a crop payment basis. Urban real estate is moving, but there is no evidence of speculation. Building permits far exceed last year's total.

The Hudson's Bay Company programme of expansion in the West is extensive.

By perseverance, economy and hard work, the West has passed another milestone along the road to prosperity. The annual revenue is greater, the agricultural situation has improved, new sources of income are being exploited, the purchasing value of the farmer's dollar is higher, the number of failures has declined, Provincial and Municipal expenditures are being held down, and natural resources are being developed along conservative lines.

The increased number of immigrants is evidence that the magnetic power of fertile lands, better living conditions and boundless opportunities, are again causing Europeans to turn their faces westward.

In the light of what has thus far been accomplished toward the solution of post-war problems, we may look forward to the future of the Prairie Provinces with renewed confidence.

BRITISH COLUMBIA

The season generally has been satisfactory in all branches of agriculture. The majority of field crops were harvested in good condition. Hay, grain and vegetables as well as small and soft fruits were a good average, while the production of apples is almost a record; but, owing to bad weather on the Prairies, where a large portion of the crop is usually sold, marketing has been delayed, and returns may again be disappointing. Dairy farming and poultry raising in the Fraser Valley are increasingly important industries. Prospects for the livestock industry appear somewhat brighter.

The production of lumber for the first nine months of the year has exceeded that of any year over a similar period. Prices are low and the mills are selling on a narrow margin of profit. The new minimum wage law will further increase cost of production. Shipments to the Orient and Antipodes have shown a substantial increase, but there has been a reduction in sales to Great Britain and the United States; the domestic market is quiet. Log production has continuously exceeded the demand, with prices weak and margin of profit small. The pulp industry is steadily growing in importance; new plants are being established and all mills are operating at capacity, with ready markets, particularly in the United States.

The mining industry has again enjoyed an active and profitable year, with estimated production well in excess of 1925. The output of coal shows a reduction, as compared with last year, with miners only working on an average four days a week. The prospects for the industry, as a whole, are promising.

It is estimated that the salmon pack will exceed that of last year. Approximately 70% has been disposed of at satisfactory prices. Halibut fishing has been successful, with demand good and prices firm. The plans of salt herring packers are uncertain, owing to unsettled conditions in China, the chief market. A new industry is the production of fish meal and oil from pilchards. Sixteen plants, all situated on the West Coast of Vancouver Island, produced 8,000 tons of meal, which was exported largely to the Orient for fertilizing purposes, and 1,750,000 gallons of oil.

The Port of Vancouver continues to increase in importance as an outlet for grain and other exports. Trade with Australia has been well maintained, but exports to China have fallen off. Coastal Steamship Services report a satisfactory season.

Manufacturers, as a whole, have had a satisfactory year. Wholesale dealers report increased sales and improved collections. Retail trade has shown improvement, but small stores are finding it increasingly difficult to compete with the departmental stores, which all report large gains in turnover.

The Dry Dock at Esquimalt has now been completed.

Provincial expenditure has been limited to necessary upkeep and repairs and to the building of a new highway through the Fraser Canyon, which will afford a direct motor route between the interior and the coast. Municipal expenditure on Capital Account has also been confined to necessities.

There has been little immigration; the population of the Province shows a slight increase, and is now estimated at about 560,000.

Power development is increasing satisfactorily throughout the Province.

Real Estate values have been well maintained. There is no speculation. Few sales of farm or ranch lands are reported, but building for residential purposes, especially in Vancouver, continues very active.

Conditions generally throughout the Province are satisfactory. There has been little or no unemployment and the level of wages has been well maintained. Trade, both wholesale and retail, is satisfactory. Tax collections are well up to average. Tourist traffic has now become an important factor in the business of British Columbia, and, with the completion of various scenic roads now under construction, the number of tourists is expected to increase. The business outlook is promising.

NEWFOUNDLAND

The financial result of the 1925 fishery was unsatisfactory, heavy losses being made on realizations abroad. Although the Labrador catch will be smaller than last year, the total catch for the current season is expected to be somewhat better. Realizations of this year's catch have so far been satisfactory, but European markets are still uncertain. The Brazilian market is buying more freely than in previous years and at fair prices. The demand for herring is much better this year owing to improved conditions in the New York market. Large quantities of frozen salmon have been shipped to the English markets during the year, with fair results. The seal fishery resulted in a catch of 211,531 seals, the best figure for several years past, and netted \$395,910, an increase of \$126,000 compared with the previous year.

Whales are plentiful and the whaling industry is receiving attention.

The lumber business has been somewhat dull, but sufficient lumber has been cut to meet local requirements. The production of pulpwood was substantially in excess of former years.

Apart from the iron mines at Wabana, which have been operated to a somewhat limited extent, little attention has been paid to mining.

Hay and root crops were satisfactory.

The mills of the Anglo-Newfoundland Development Company at Grand Falls and the Newfoundland Power and Paper Company at Corner Brook are producing at capacity. The daily output of newsprint in Newfoundland has risen from 200 tons two years ago to 700 tons at present and the industry now rivals the fisheries in the value of exports.

Manufacturers generally have found a good demand but the output has not been equal to that of 1925. Capital expenditures of various kinds were not so large this year; this has resulted in a reduction of turnover in most businesses and in labour not being so well employed; collections have been slow.

The Government are making further improvements to the roadbed of the railway, as well as additions to the rolling stock. The new drydock at St. John's has been completed. Good roads are being constructed and tourist traffic encouraged.

The funded debt is now about \$74,000,000 and the burden of taxation is heavy. Exports for the fiscal year ending 30th June, 1925, totalled approximately \$23,600,000 as compared with \$21,000,000 for the preceding year. Imports amounted to \$36,400,000 as compared with \$28,000,000.

While business during the last year has shown some recession, the expansion of the paper industry has had a beneficial effect on trade and, given reasonably good markets for fish, conditions are expected to show a continued improvement.

MEXICO

During the past year the Mexican Government has made payment of interest on its Foreign Debt, as agreed with the Committee for the foreign bondholders, and interest is also being paid on the debt of the National Railways of Mexico.

The cotton crop was well up to normal, but owing to low prices little profit will accrue to the growers.

Owing to the low price of silver, the mining industry is adversely affected, particularly the smaller mines.

There has been a falling off in oil production, but a large number of drilling permits have been granted.

Considerable progress has been made in carrying out the Government's irrigation programme and in road building throughout the Republic.

The difficulties between the Church and State have not yet been composed, and this, coupled with the drop in price of silver and cotton, and lower oil production, has had an adverse effect on general business conditions.

REPORT ADOPTED

The Chairman then invited discussion, but there being none, he moved, seconded by Sir Charles Gordon, G.B.E., that the Report of the Directors, now read, be adopted and printed for distribution among the Shareholders.

In seconding the adoption of the report, Sir Charles Gordon said: "I think I sense the feeling of this meeting when I congratulate Sir Vincent on the comprehensive and dignified address which we have just listened to. It not only puts before the shareholders of the Bank the information which they should have in regard to its affairs, but also gives to the public a complete knowledge of conditions in Canada and in many other parts of the world. The address of the General Manager is likewise replete with information concerning the Bank, and we are indebted to Sir Frederick for a very clear statement of the Bank's affairs in relation to conditions at home and abroad."

The Report was unanimously adopted.

His Honour Henry Cockshutt moved, seconded by Mr. Thomas Ahearn, that Messrs. James Hutchison, C.A., and George C. McDonald, C.A., be appointed auditors for the Bank for the ensuing year, and that the ballot for the auditors be taken at the same time as the ballot for directors is taken.

On motion of Mr. E. W. Beatty, K.C., seconded by Mr. G. B. Fraser, resolutions appointing the necessary proxies for the Bank at meetings of controlled companies were unanimously adopted.

THANKS TO OFFICERS

The Hon. Rodolphe Lemieux then moved, seconded by Mr. W. M. Stewart, that the thanks of the meeting are hereby tendered to the President, the Vice-President, and Directors, for their attention to the interests of the Bank.

In speaking to this resolution, the Hon. Mr. Lemieux said: "I may say that it is a pleasure and honour for me to move this resolution. I have always looked upon the Bank of Montreal as one of the foremost financial institutions not only in Canada and in the British Empire but of the world. The progress of the Bank of Montreal reflects the progress of Canada. In fact, I may say that in my humble judgment I look upon the Bank of Montreal as the cornerstone of our national credit and security. The advice of the Bank of Montreal, when sought by governments, has always been given in the best interests of Canada. My motion purports to tender thanks to the President, Vice-

President, and Directors. I think we should congratulate ourselves on having as President, Vice-President, and Directors men of sterling integrity, of commanding ability, who have maintained steadily the honour and traditions of the Bank, and who have possessed business acumen and reserved optimism which for over a century has made the Bank of Montreal the pride of Canadians at home and abroad."

The Hon. Rodolphe Lemieux then moved the vote of thanks, as above.

The resolution was adopted unanimously.

The Chairman—"On behalf of my colleagues and myself, I wish to thank you for the graceful and flattering remarks you, Mr. Lemieux, have made in proposing the resolution, and Mr. Stewart for having seconded it. Your Directors take a keen interest in the Bank's affairs, and in maintaining the high traditions and prestige it enjoys."

Mr. William McMaster then moved, seconded by Major-General the Hon. S. C. Mewburn, C.M.G., that the thanks of the meeting are hereby tendered to the General Manager, the Assistant General Managers, the Superintendents, the Managers and other Officers of the Bank for their services during the past year.

In speaking to this resolution, Mr. McMaster said: "In this connection I would like to refer to what has taken place within the Bank since I was elected a member of the Board in 1913. The branches then numbered 180, and now number over 600. The staff was 1,883, and to-day numbers 6,051. The total assets then were 240 millions, and they are now 785 millions. I think that these figures show an expansion which necessarily reflects credit on those mentioned in this resolution as having materially assisted in bringing about this result because of their loyalty, zeal, and ability, from the General Manager, the Assistant General Managers, the Superintendents and Inspectors down to the staff, senior and junior. I do not want to make this merely a formal resolution, and therefore I am sure that the shareholders will agree with me that we should be more than sympathetic in recognizing the good services given by those I have mentioned. These services should be recognized in a

material manner in keeping with other commercial pursuits, and we should go as far as possible in carrying out this idea, and I have much pleasure, therefore, in proposing this resolution."

The motion was carried with applause.

In reply to this, the General Manager, Sir Frederick Williams-Taylor, said:—

"On behalf of all concerned, I have to thank you for this hearty commendation of services rendered during the past year. As you know so well, the maintenance of our position in the banking world—may I say our proud position in the banking world?—would not be practicable but for the loyalty, integrity, and industry of a well-trained and efficient staff. Our time-honoured policy is to do all in our power to insure the welfare and contentment of every officer of the Bank, and it is a policy which our experience has amply justified. I am glad to say that among our senior staff we have officers of high attainments and promise who, with the training and experience they are now receiving, will be fully competent to fill the most responsible positions of the Bank when they are called upon."

The ballot for the appointment of Auditors and the election of Directors for the ensuing year was then proceeded with.

The Scrutineers appointed for the purpose reported that Messrs. James Hutchison, C.A., and George C. McDonald, C.A., were duly appointed Auditors, and the following gentlemen duly elected Directors:—

Thomas Ahearn, D. Forbes Angus, E. W. Beatty, K.C., His Honour Henry Cockshutt, General Sir Arthur Currie, G.C.M.G., K.C.B., H. R. Drummond, G. B. Fraser, Sir Charles Gordon, G.B.E., the Honourable Sir Lomer Gouin, K.C.M.G., C. R. Hosmer, Harold Kennedy, J. W. McConnell, William McMaster, F. E. Meredith, K.C., Sir Vincent Meredith, Bart., Maj.-Gen. The Hon. S. C. Mewburn, C.M.G., F. W. Molsou, Lieut.-Col. Herbert Molson, C.M.G., M.C., James Stewart.

The meeting then terminated.

At a subsequent meeting of the Directors, Sir Vincent Meredith, Bart., was re-elected President, and Sir Charles Gordon, G.B.E., was re-elected Vice-President.

BANK OF MONTREAL.

(ESTABLISHED OVER 100 YEARS)

INCORPORATED BY ACT OF PARLIAMENT.

HEAD OFFICE—MONTREAL

BOARD OF DIRECTORS

SIR VINCENT MEREDITH, BART., *President.*

SIR CHARLES GORDON, G.B.E., *Vice-President.*

C. R. HOSMER, ESQ.	H. R. DRUMMOND, ESQ.	D. FORBES ANGUS, ESQ.
WM. McMASTER, ESQ.	LT.-COL. HERBERT MOLSON, C.M.G., M.C.	HAROLD KENNEDY, ESQ.
G. B. FRASER, ESQ.	HIS HONOUR HENRY COCKSHUTT, ESQ.	E. W. BEATTY, ESQ., K.C.
THE HON. SIR LOMER GOUIN, K.C.M.G.	GEN. SIR ARTHUR CURRIE, G.C.M.G., K.C.B.	JAMES STEWART, ESQ.
F. E. MEREDITH, ESQ., K.C.	MAJ.-GEN. THE HON. S. C. MEWBURN, C.M.G.	THOMAS AHEARN, ESQ.
	J. W. McCONNELL, ESQ.	F. W. MOLSON, ESQ.

SIR FREDERICK WILLIAMS-TAYLOR, *General Manager.*

LONDON COMMITTEE

HIS GRACE THE DUKE OF DEVONSHIRE, K.G. (*Chairman*).

F. R. S. BALFOUR, ESQ. SIR HARDMAN LEVER, BART., K.C.B.

PARIS COMITÉ CONSULTATIF

M. LE SÉNATEUR GASTON MENIER

MEXICO COMMITTEE

FREDERICK ADAMS, ESQ. C. GORDON PATERSON, ESQ. BERTRAM E. HOLLOWAY, ESQ.

CAPITAL <i>paid up</i> ,	- - - - -	\$ 29,916,700.00
REST AND UNDIVIDED PROFITS,	- - - - -	30,684,116.69
TOTAL ASSETS,	- - - - -	781,525,145.20

The Bank has 617 Offices in Canada, Newfoundland, United States, Mexico; at London, England, and at Paris, France, with Correspondents in all Countries, offering exceptional facilities in all departments of General and Foreign Banking business.

FOREIGN DEPARTMENT - - - - - HEAD OFFICE, MONTREAL.

BRANCHES

IN CANADA

ALBERTA

ACME
 ALLIANCE
 BANFF (May to Sept.)
 BASHAW
 BENTLEY
 CALGARY
 * Stock Yards
 CAMROSE
 CARBON
 CARDSTON
 CARSTAIRS
 CASTOR
 CHAUVIN
 CHIPMAN
 CORONATION
 DAYSLAND
 DELBURNE
 DELTA
 DIDSBURY
 DONALDA
 DRUMHELLER
 EDGERTON
 EDMONTON
 * Napanee Avenue
 FORESTBURG
 GLENWOODVILLE—Sub
 to Cardston
 GRANDE PRAIRIE
 HIGH RIVER
 HUGHENDEN
 IRMA
 ISLAY
 KILLAM
 LACOMBE
 LAKE LOUISE (June to
 Sept.)
 LEDUC
 LETHBRIDGE
 MAGRATH
 MANNVILLE
 MEDICINE HAT
 MORRIN
 MUNDARE
 MUNSON
 NOBLEFORD
 OKOTOKS
 OLDS
 PENHOLD
 PONOKA
 PROVOST
 RAYMOND
 RED DEER
 RIMBEY
 ROSALIND
 RUMSEY
 SEDGWICK
 STETTNER
 STROME
 THREE HILLS
 TOPFIELD
 TROCHU
 VEGREVILLE
 VIKING
 VULCAN
 WAINWRIGHT
 WESTLOCK
 WETASKIWIN

BRITISH COLUMBIA

AGASSIZ
 ARMSTRONG
 ASHCROFT
 CHILLIWACK
 CLOVERDALE
 DUNCAN
 ENDERBY
 ESQUIMALT
 HEDLEY—Sub to Princeton
 KAMLOOPS
 KASLO
 KELOWNA
 KERRISDALE
 KIMBERLEY
 MERRITT
 NANAIMO
 NELSON
 NEW DENVER
 NEW WESTMINSTER
 NORTH VANCOUVER
 OAK BAY
 PENTICTON
 PORT ALBERNI
 PORT HANEY
 PRINCE GEORGE
 PRINCE RUPERT
 PRINCETON
 REVELSTOKE
 ROSSLAND
 SIDNEY
 STEWART
 TERRACE
 TRAIL
 VANCOUVER
 * Carrall Street
 * Chinese Branch
 * Cordova Street East

BRITISH COLUMBIA— Continued

VANCOUVER
 * Fourth Avenue & Alma
 Road
 * Granville & Nelson
 Streets
 * Hastings Street East
 Prior Street
 VERNON
 VICTORIA
 WEST SUMMERLAND
 WILLIAMS LAKE

MANITOBA

ALEXANDER
 AUSTIN
 BELMONT
 BOWSMAN RIVER
 BRANDON
 CARBERRY
 DARLINGFORD
 DAUPHIN
 DOMINION CITY
 GLADSTONE
 GRISWOLD
 HARTNEY
 MACREGOR
 MINITONAS
 MORRIS
 NAPINKA
 NEEPAWA
 OAK LAKE
 OAK RIVER
 OAKVILLE
 PORTAGE LA PRAIRIE
 RESTON
 RUSSELL
 SELKIRK
 SIDNEY—Sub to Carberry
 SOURIS
 STARBUCK
 WINNIPEG
 * Bannerman Avenue
 * Corydon Avenue
 * Fort Rouge
 * Logan Avenue
 * Lombard Street
 * McGregor St. & Selkirk
 Ave.
 * Morley Ave. & Osborne
 St.
 * Portage Avenue
 * Portage Avenue &
 Goulding St.
 * Selkirk Avenue &
 Arlington St.

NEW BRUNSWICK

BATHURST
 CHATHAM
 FREDERICTON
 GRAND FALLS
 HARTLAND
 MARYSVILLE
 MONCTON
 PERTH
 SAINT JOHN
 * Haymarket Square
 * Union Street
 ST. STEPHEN
 SHEDJAC
 WOODSTOCK

NOVA SCOTIA

AMHERST
 BRIDGEWATER
 CANSO
 GLACE BAY
 HALIFAX
 * North End
 * Willow Tree
 LUNenburg
 MAHONE BAY
 PORT HOOD
 RIVERPORT
 SYDNEY
 WOLFVILLE
 VARMOUTH

ONTARIO

ACTON
 AILSA CRAIG
 ALLISTON
 ALMONTE
 ALVINSTON
 AMHERSTBURG
 ARNPRIOR
 ATHENS
 AULTSVILLE

ONTARIO—Continued

AURORA
 AVLIMER
 AYR
 BARRY'S BAY
 BEACHVILLE—Sub to
 Ingersoll
 BELLEVILLE
 BOBCAYGEON
 BOWWELL
 BOWMANVILLE
 BRAMPTON
 BRANTFORD
 BRESLAU—Sub to
 Kitchener
 BRIDGEBURG
 BRIDGEPORT—Sub to
 Kitchener
 BRISTOL
 BROCKVILLE
 BROCKTON
 BRUCEFIELD—Sub to
 Hensall
 CALABOGIE—Sub to
 Renfrew
 CAMPBELLFORD
 CHATHAM
 CHATSWORTH
 CHESLEY
 CHESLEVILLE
 CLARKSON
 CLINTON
 COBDEN
 COLLINGWOOD
 CORNWALL
 * EAST—Sub to
 Cornwall
 COURTLAND
 CREAMORE
 DELHI
 DELTA
 DESBORO—Sub to
 Chatsworth
 DESERONTO
 DOUGLAS
 DRUMBO
 DUTTON
 EGANVILLE
 ELGIN
 ELORA
 EXETER
 FENELON FALLS
 FINCH
 FORD
 FORBES
 FORMOSA—Sub to
 Teeswater
 FORT ERIE
 FORT WILLIAM
 FRANKFORD
 GALT
 GANANOQUE
 GEORGETOWN
 GLENCOE
 GODERICH
 GORE BAY
 GRANTON
 GUELPH
 HALIBURTON
 HAMILTON
 * Barton St. & Victoria
 Ave.
 * Gage Avenue & Barton
 St.
 * Holton Avenue
 * James & Barton Streets
 * King & James Streets
 * Main Street East
 (Delta)
 * Market
 * Victoria Avenue
 * Westinghouse Avenue
 HANOVER
 HENSALL
 HESPELER
 HIGHGATE
 HOLLAND CENTRE—Sub
 to Chatsworth
 HOLSTEIN
 INGERSOLL
 IROQUOIS
 KAGAWONG—Sub to Gore
 Bay (May to Oct.)
 KINCARDINE
 KING CITY
 KINGSTON
 KINGSVILLE
 KIRKTON
 KITCHENER
 KOMOKA—Sub to Market
 Square, London, Ont.
 LAMBTON MILLS
 LANCASTER
 LANSLOWNE
 LA SALLE
 LAWRENCE STATION—
 Sub to Dutton
 LEAMINGTON
 LINDSAY

ONTARIO—Continued

LISTOWEL
 LITTLE CURRENT
 LONDESBOROUGH—Sub
 to Clinton
 LONDON
 * City Hall, Dundas &
 Wellington Sts.
 * East
 * Market Square
 * South
 LUCAN
 LUCKNOW
 MADAWASKA—Sub to
 Barry's Bay
 MANITOWANING
 MARKDALE
 MEAFORD
 MERLIN
 MIDLAND
 MILDMAY
 MIMICO
 MINDEMOYA
 MITCHELL
 MONKLAND—Sub to
 Finch
 MORRISBURG
 MOUNT FOREST
 MURKIRK
 NAPANEE
 NEWBURY
 NEWINGTON
 NEWMARKET
 NEW TORONTO
 NIAGARA FALLS
 NORTH BAY
 NORWICH
 OAKVILLE
 OAKWOOD
 ORILLIA
 OSHAWA
 OTTAWA
 * Bank Street
 * Rideau Street
 * Sparks Street
 * Sparks & O'Connor
 Streets
 OWEN SOUND
 PAISLEY
 PARIS
 PELEE ISLAND—Sub to
 Leamington (May to
 Dec.)
 PEMBROKE
 PERTH
 PETERBORO
 * George Street
 PICTON
 PORT ARTHUR
 PORT HOPE
 PORT LAMBTON—Sub to
 Wallaceburg
 PRESCOTT
 PRESTON
 PROVIDENCE BAY—Sub
 to Mindemoya
 RENFREW
 RIDGETOWN
 ST. CATHARINES
 ST. EUGENE
 ST. GEORGE—Sub to
 Brantford
 ST. MARYS
 ST. THOMAS
 * East End
 SARNIA
 SAULT STE. MARIE
 * Wellington St. West
 SCHREIBER
 SIMCOE
 SMITH'S FALLS
 STAYNER
 STIRLING
 STRATFORD
 SUDBURY
 TARA
 TAVISTOCK
 TEESWATER
 THAMESVILLE
 THORNDALE
 THOROLD
 TICHBORNE—Sub to
 Verona
 TILBURY
 TIMMINS
 TORONTO
 * Bathurst Street
 * Bay Street
 * 26 Bloor St. West
 * Bloor St. & Lansdowne
 Avenue
 * Bloor St. & Spadina
 Avenue
 * Carlton Street
 * College Street
 * Danforth Ave. & Main
 Street
 * Danforth & Carlaw
 Avenues

ONTARIO—Continued

TORONTO
 * Dundas St. & Lans-
 downe Ave.
 * Dundas St. & Ronce-
 valleys Ave.
 * Dupont Street
 * Earlscourt
 * Eglinton
 * King & Dufferin Streets
 * King & Yonge Streets
 * Parliament Street
 * Queen Street East &
 Beech Ave.
 * Queen Street West &
 Beaconsfield Ave.
 * Queen Street & Broad-
 view Ave.
 * Queen Street & O'Hara
 Avenue
 * Queen & Portland
 Streets
 * Royce Avenue
 * St. Clair Avenue West
 * Stock Yards
 * West Toronto
 * Yonge & Bloor Streets
 * Yonge & Queen Streets
 TRENTON
 TUPPERVILLE—Sub to
 Wallaceburg
 TWEED
 VERONA
 WALES
 WALKERTON
 WALKERVILLE
 * Walker Road
 WALLACEBURG
 WATERFORD
 WATERLOO
 WATFORD
 WELLAND
 WEST LORNE
 WESTON
 WESTPORT
 WHEATLEY
 WILLIAMSBURG
 WILLIAMSFORD—Sub to
 Chatsworth
 WILLIAMSTOWN
 WINDSOR
 * Howard Avenue
 * London Street
 WOODSTOCK
 YARKER
 ZURICH

PRINCE EDWARD
 ISLAND
 CHARLOTTETOWN

QUEBEC

AMQUI
 ARTHABASKA
 ARUNDEL
 ATHELSTAN—Sub to
 Huntingdon
 BEAUHARNOIS
 BEDFORD
 BREAKEVILLE
 BRISTOL—Sub to Shawville
 BUCKINGHAM
 BURY
 CAMPBELL'S BAY
 CHAPEAU
 CHICOUTIMI
 COOKSHIRE
 COWANSVILLE
 DANVILLE
 DRUMMONDVILLE
 FOSTER—Sub to Knowlton
 GATINEAU—Sub to Hull
 GRANBY
 GRAND MERE
 HULL
 HUNTINGDON
 KNOWLTON
 LACHINE
 * St. Joseph Street
 LACHUTE
 LEVIS
 LITTLE METIS—Sub to
 Mont Joli (June to Sept.)
 LONGUEUIL
 MAGOG
 MATANE
 MEGANTIC
 MONT JOLI
 MONTREAL
 * Angus Shops, Davidson
 & Nolan Streets

BRANCHES

IN CANADA

QUEBEC—Continued	QUEBEC—Continued	QUEBEC—Continued	QUEBEC—Continued	SASKATCHEWAN—Continued
MONTREAL	MONTREAL	QUYON	VILLE ST. PIERRE	
* Aylwin & St. Catherine Streets	* St. Antoine & Windsor Streets	RICHMOND	WATERLOO	MELVILLE
* Bleury & St. Catherine Streets	* St. Clement & St. Catherine Streets	RIGAUD		MOOSE JAW
* Centre Street	* St. Denis St. & Mt. Royal Ave.	RIVIERE DU LOUP	SASKATCHEWAN	NORTH BATTLEFORD
* Claremont Ave. & Sherbrooke St.	* St. Denis & St. Zotique Streets	ROBERVAL	ANTLER	OUTLOOK
* Cote des Neiges	* St. Dominique & St. Catherine Streets	STE. AGATHE DES MONTS	ARCOLA	PERLATE
* Cote St. Paul	* St. Henri	STE. ANNE DE BEAUPRE	ARMLEY—Sub to Tisdale	PERDUE
* Drummond & St. Catherine Streets	* St. Jean Baptiste Market	STE. ANNE DE BELLE-VUE	BATTLEFORD	PRINCE ALBERT
* Fullam & St. Catherine Streets	* St. Lawrence Blvd. & Mt. Royal Ave.	ST. CESAIRE	BROMHEAD	PUNNICHY
* Laurier Ave. & St. Lawrence Blvd.	* St. Peter & St. James Streets	ST. GEORGES DE BEAUCE	CALDER	RAYMORE
* Market & Harbour	* Seneceys Street	ST. IVACINTHE	CARNDUFF	REGINA
* Masson Street & Fifth Avenue	* Sherbrooke St. & St. Lawrence Blvd.	ST. JEROME	CEVLON	RHEIN
* McGill Street	* Sherbrooke Street West	ST. JOHNS	DAVIDSON	ROSE VALLEY—Sub. to Tisdale
* Molson Park	* University & St. Catherine Streets	ST. JOSEPH D'ALMA	DOMREMY	ROSTIERN
* Mt. Royal Ave. & Bordeaux Street	* West End	ST. JOVITE	DUCK LAKE	ST. GREGOR
* Mount Royal Ave. & Christopher Columbus Street	* Wolfe & St. Catherine Streets	ST. LAMBERT	EASTEND	SALT COATS
* Notre Dame de Grace		ST. OURS	EASTEVAN	SASKATOON
* Notre Dame & McCord Streets		STE. THERESE	FENWOOD—Sub to Melville	SEMANS
* Ontario & Hogan Sts.		SAWYERVILLE	FIFE LAKE	SHALANAVON
* Ontario St. & La Salle Avenue		SHERBROOKE	FLANCOMBE	SWIFT CURRENT
* Ontario St. & St. Lawrence Blvd.		SOREL	FROBISHER	TISDALE
* Papineau Avenue		SUTTON	GAINSBOROUGH	UNITY
* Park & Bernard Aves.		TEMISKAMING	GIRVIN	VERGIN
* Peel Street		THETFORD MINES	GRENPELL	WAKAW
* Point St. Charles		THREE RIVERS	GULL LAKE	WALDRON
		TROIS PISTOLES	HUMBOLDT	WEYBURN
		VERDUN	INDIAN HEAD	WHITEWOOD
		* Church Avenue	KAMSAK	WYNVARD
		* Willibord Ave. & Wellington St.	KANDAHAR	VORKTON
		VICTORIAVILLE	KELLIHER	
			KINISTINO	YUKON
			KISBEY	DAWSON
			LAKE LENORE	
			LAMPMAN	
			LIMERICK	
			MAPLE CREEK	
			MEACHAM	

IN NEWFOUNDLAND

CORNER BROOK CURLING GRAND FALLS
ST. GEORGE'S ST. JOHN'S

IN GREAT BRITAIN

LONDON, ENG.—47 THREADNEEDLE STREET, E.C. 2.
" " " 9 WATERLOO PLACE, S.W. 1.

IN FRANCE

PARIS—BANK OF MONTREAL (France)—6 PLACE VENDÔME

IN THE UNITED STATES

NEW YORK AGENCY—64 WALL STREET
CHICAGO, ILL.—BANK OF MONTREAL—27 SOUTH LASALLE STREET
SAN FRANCISCO, CALIF.—BRITISH AMERICAN BANK—264 CALIFORNIA STREET

IN MEXICO

CITY OF MEXICO, D.F.—BANK OF MONTREAL, AVENIDA ISABEL LA CATOLICA No. 40.
" " " —BANK OF MONTREAL, AVENIDA FRANCISCO I. MADERO No. 14
GUADALAJARA, JAL.—BANK OF MONTREAL, ESQUINA LOPEZ COTILLA Y COLON
MONTERREY, N.L.—BANK OF MONTREAL, DOCTOR MIER 116.
PUEBLA, PUE.—BANK OF MONTREAL, AVENIDA REFORMA No. 106.
TAMPICO, TAMPS.—BANK OF MONTREAL, CALLE DEL ESTADO No. 38, ORIENTE
VERACRUZ, VER.—BANK OF MONTREAL, AVENIDA INDEPENDENCIA No. 23.

WEST INDIES

Barclays Bank (Dominion, Colonial & Overseas), formerly The Colonial Bank
(in which an interest is owned by the Bank of Montreal)

